



For Immediate Release

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Standard Motor Products, Inc. Announces

Third Quarter 2024 Results and Quarterly Dividend

- *Net Sales of \$399.3M, up 3.3%, with all three operating segments showing increases*
- *Adjusted diluted earnings per share of \$1.28, up 15%*
- *Adjusted EBITDA up 80 basis points to 12.2%*
- *Nissens Automotive acquisition expected to close in near future*
- *Full year guidance remains unchanged*

New York, NY, October 30, 2024.....Standard Motor Products, Inc. (NYSE: SMP), a leading automotive parts manufacturer and distributor, reported today its consolidated financial results for the three and nine months ended September 30, 2024.

Net sales for the third quarter of 2024 were \$399.3 million, compared to consolidated net sales of \$386.4 million during the comparable quarter in 2023. Earnings from continuing operations for the third quarter of 2024 were \$26.6 million or \$1.20 per diluted share, compared to \$24.9 million or \$1.12 per diluted share in the third quarter of 2023. Excluding non-operational gains and losses

identified on the attached reconciliation of GAAP and non-GAAP measures, earnings from continuing operations for the third quarter of 2024 were \$28.3 million or \$1.28 per diluted share, compared to \$24.7 million or \$1.11 per diluted share in the third quarter of 2023.

Consolidated net sales for the nine months ended September 30, 2024, were \$1.12 billion, compared to consolidated net sales of \$1.07 billion during the comparable period in 2023.

Earnings from continuing operations for the nine months ended September 30, 2024, were \$54.4 million or \$2.45 per diluted share, compared to \$55.9 million or \$2.52 per diluted share in the comparable period of 2023. Excluding non-operational gains and losses identified on the attached reconciliation of GAAP and non-GAAP measures, earnings from continuing operations for the nine months ended September 30, 2024 and 2023 were \$59.9 million or \$2.70 per diluted share and \$56.6 million or \$2.55 per diluted share, respectively.

Mr. Eric Sills, Standard Motor Products' Chairman and Chief Executive Officer stated, "We are very pleased with our third quarter results, both in our top line growth as well as our earnings performance. Overall, sales increased 3.3% versus last year's third quarter, while adjusted diluted earnings per share were up 15%. Year-to-date sales are up 5.0% compared to 2023, with adjusted diluted EPS up almost 6%. Sales for all three operating segments are ahead of last year both for the quarter and the year."

By segment, Vehicle Control sales increased 5.2% in the quarter against an easy comparison in 2023. Sales in the segment are up 2.8% on a year-to-date basis as customer demand remains positive, indicating general market strength as our trading partners make ongoing investments to their assortments in our products.

Strong Temperature Control demand continued as sales grew 1.9% in the quarter against last year's record results. The segment has performed well year-to-date with sales up nearly 10% over last year, as the selling season started early this year and remained strong throughout the summer.

Our Engineered Solutions segment continues to perform well, as sales increased nearly 1% in the quarter against a very difficult comparison to last year's quarterly increase of over 8%, and are up 3.8% year-to-date. Modest softening in some end markets is being more than offset by the ramp up of recent wins, and while we expect ongoing market headwinds related to certain customers' production schedules, we remain quite bullish as we see ongoing cross-selling opportunities and strengthening customer relationships.

Looking at profitability, Adjusted EBITDA improved from the third quarter last year, up 80 basis points to 12.2%. Margin improvement resulted from leverage gained on the solid sales performance, as well as from various cost containment actions to offset inflationary pressures, including the benefit from our previously disclosed early retirement program. We remain focused on our cost savings initiatives and continue to look at ways to drive margin improvement going forward.

From a cash flow perspective, we were pleased with the impact of our initiatives on managing both our inventory and borrowing levels. At quarter-end, our inventory was \$503.0 million, down from \$507.1 million at year-end, while our total debt at quarter-end stood at \$142.8 million down \$13.4 million from year-end.

With respect to our previously announced acquisition of Nissens Automotive in Europe, we have received final regulatory approvals and would expect to close on the transaction in the very near future. We are very excited about this major step forward for SMP, and look forward to working closely with the talented Nissens team to create an aftermarket leader in North America and Europe across our key product categories.

Regarding our sales and profit expectations for the full year of 2024, we anticipate sales growth will be in the low- to mid-single digits, and Adjusted EBITDA will be in a range of 9.0-9.5%, consistent with what we noted previously, and excludes any potential impact from the acquisition of Nissens Automotive. This outlook considers expenses related to customer factoring programs that will be roughly \$48-\$50 million at current implied rates, as well as the impact of startup costs and duplicate overhead expense associated with the new distribution center in Shawnee, KS, discussed in prior quarters.

The Board of Directors has approved payment of a quarterly dividend of 29 cents per share on the common stock outstanding, which will be paid on December 2, 2024 to stockholders of record on November 15, 2024.

In closing, Mr. Sills commented, “Looking ahead, while there is always a degree of uncertainty across a variety of external factors, we are excited about where we are headed. North American aftermarket fundamentals remain strong, we are hitting our stride in our Engineered Solutions business, our new distribution center is coming on line, and we are soon to have Nissens on-board with all the opportunities that it will bring. We want to thank all our employees for our current success and helping us achieve our goals for the future.”

Conference Call

Standard Motor Products, Inc. will hold a conference call at 11:00 AM, Eastern Time, on Wednesday October 30, 2024. This call will be webcast and can be accessed on the Investor Relations page of our website at www.smpcorp.com and clicking on the [SMP 3Q 2024](#) Earnings Webcast link. Investors may also listen to the call by dialing 800-343-4136 (domestic) or 203-518-9843 (international). Our playback will be made available for dial in immediately following the call. For those choosing to listen to the replay by webcast, the link should be active on our website within 24 hours after the call. The playback number is 800-374-0328 (domestic) or 402-220-0663 (international).

Under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Standard Motor Products cautions investors that any forward-looking statements made by the company, including those that may be made in this press release, are based on management's expectations at the time they are made, but they are subject to risks and uncertainties that may cause actual results, events or performance to differ materially from those contemplated by such forward looking statements. Among the factors that could cause actual results, events or performance to differ materially from those risks and uncertainties discussed in this press release are those detailed from time-to-time in prior press releases and in the company's filings with the Securities and Exchange Commission, including the company's annual report on Form 10-K and quarterly reports on Form 10-Q. By making these forward-looking statements,

Standard Motor Products undertakes no obligation or intention to update these statements after the date of this release.

STANDARD MOTOR PRODUCTS, INC. Consolidated Statements of Operations

(In thousands, except per share amounts)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
NET SALES	\$ 399,265	\$ 386,413	\$ 1,120,497	\$ 1,067,516
COST OF SALES	<u>277,899</u>	<u>271,653</u>	<u>798,162</u>	<u>760,220</u>
GROSS PROFIT	121,366	114,760	322,335	307,296
SELLING, GENERAL & ADMINISTRATIVE EXPENSES	81,204	79,781	239,822	223,257
RESTRUCTURING AND INTEGRATION EXPENSES	3,023	177	5,774	1,383
OTHER INCOME, NET	<u>-</u>	<u>4</u>	<u>5</u>	<u>74</u>
OPERATING INCOME	37,139	34,806	76,744	82,730
OTHER NON-OPERATING INCOME, NET	2,129	1,732	5,147	2,759
INTEREST EXPENSE	<u>3,145</u>	<u>3,621</u>	<u>7,964</u>	<u>10,766</u>
EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	36,123	32,917	73,927	74,723
PROVISION FOR INCOME TAXES	<u>9,267</u>	<u>7,995</u>	<u>18,718</u>	<u>18,656</u>
EARNINGS FROM CONTINUING OPERATIONS	26,856	24,922	55,209	56,067
LOSS FROM DISCONTINUED OPERATION, NET OF INCOME TAXES	<u>(22,771)</u>	<u>(18,200)</u>	<u>(24,727)</u>	<u>(28,201)</u>
NET EARNINGS	4,085	6,722	30,482	27,866
NET EARNINGS ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>275</u>	<u>63</u>	<u>785</u>	<u>152</u>
NET EARNINGS ATTRIBUTABLE TO SMP (a)	<u>\$ 3,810</u>	<u>\$ 6,659</u>	<u>\$ 29,697</u>	<u>\$ 27,714</u>
 <u>NET EARNINGS ATTRIBUTABLE TO SMP</u>				
EARNINGS FROM CONTINUING OPERATIONS	\$ 26,581	\$ 24,859	\$ 54,424	\$ 55,915
LOSS FROM DISCONTINUED OPERATION, NET OF INCOME TAXES	<u>(22,771)</u>	<u>(18,200)</u>	<u>(24,727)</u>	<u>(28,201)</u>
TOTAL	<u>\$ 3,810</u>	<u>\$ 6,659</u>	<u>\$ 29,697</u>	<u>\$ 27,714</u>
 <u>NET EARNINGS PER COMMON SHARE ATTRIBUTABLE TO SMP</u>				
BASIC EARNINGS FROM CONTINUING OPERATIONS	\$ 1.22	\$ 1.14	\$ 2.50	\$ 2.58
DISCONTINUED OPERATION	<u>(1.04)</u>	<u>(0.84)</u>	<u>(1.14)</u>	<u>(1.30)</u>
NET EARNINGS PER COMMON SHARE - BASIC	<u>\$ 0.18</u>	<u>\$ 0.31</u>	<u>\$ 1.36</u>	<u>\$ 1.28</u>
DILUTED EARNINGS FROM CONTINUING OPERATIONS	\$ 1.20	\$ 1.12	\$ 2.45	\$ 2.52
DISCONTINUED OPERATION	<u>(1.03)</u>	<u>(0.82)</u>	<u>(1.11)</u>	<u>(1.27)</u>
NET EARNINGS PER COMMON SHARE - DILUTED	<u>\$ 0.17</u>	<u>\$ 0.30</u>	<u>\$ 1.34</u>	<u>\$ 1.25</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES	21,716,083	21,727,119	21,802,164	21,675,699
WEIGHTED AVERAGE NUMBER OF COMMON AND DILUTIVE SHARES	22,154,222	22,253,723	22,225,444	22,198,131

(a) "SMP" refers to Standard Motor Products, Inc. and subsidiaries.

STANDARD MOTOR PRODUCTS, INC. Segment Revenues and Operating Profit

(In thousands)

	THREE MONTHS ENDED SEPTEMBER 30,				NINE MONTHS ENDED SEPTEMBER 30,				
	2024	(Unaudited)		2023	2024	(Unaudited)		2023	
Revenues									
Engine Management (Ignition, Emissions and Fuel Delivery)	\$ 121,432			\$ 113,188	\$ 353,046			\$ 342,860	
Electrical and Safety	63,237			62,049	172,772			166,720	
Wire sets and other	16,208			15,700	49,324			49,723	
Vehicle Control	200,877			190,937	575,142			559,303	
AC System Components	95,698			94,385	245,628			217,913	
Other Thermal Components	30,287			29,258	76,446			75,210	
Temperature Control	125,985			123,643	322,074			293,123	
Commercial Vehicle	22,625			18,701	69,016			59,158	
Construction / Agriculture	8,082			9,974	27,631			32,804	
Light Vehicle	24,287			24,123	70,776			71,123	
All Other	17,409			19,035	55,858			52,005	
Engineered Solutions	72,403			71,833	223,281			215,090	
Revenues	\$ 399,265			\$ 386,413	\$ 1,120,497			\$ 1,067,516	
Gross Margin									
Vehicle Control	\$ 65,652	32.7%		\$ 60,865	31.9%			\$ 179,446	32.1%
Temperature Control	42,323	33.6%		37,785	30.6%			83,452	28.5%
Engineered Solutions	13,391	18.5%		16,110	22.4%			44,398	20.6%
All Other	-			-				-	
Gross Margin	\$ 121,366	30.4%		\$ 114,760	29.7%			\$ 307,296	28.8%
Selling, General & Administrative									
Vehicle Control	\$ 43,021	21.4%		\$ 42,752	22.4%			\$ 124,308	22.2%
Temperature Control	25,876	20.5%		24,624	19.9%			61,736	21.1%
Engineered Solutions	8,124	11.2%		8,832	12.3%			25,222	11.7%
All Other	5,190			3,573				11,991	
Subtotal	\$ 82,211	20.6%		\$ 79,781	20.6%			\$ 223,257	20.9%
Acquisition Expenses	(1,007)	-0.3%		-	0.0%			-	0.0%
Selling, General & Administrative	\$ 81,204	20.3%		\$ 79,781	20.6%			\$ 223,257	20.9%
Operating Income									
Vehicle Control	\$ 22,631	11.3%		\$ 18,113	9.5%			\$ 55,138	9.9%
Temperature Control	16,447	13.1%		13,161	10.6%			21,716	7.4%
Engineered Solutions	5,267	7.3%		7,278	10.1%			19,176	8.9%
All Other	(5,190)			(3,573)				(11,991)	
Subtotal	\$ 39,155	9.8%		\$ 34,979	9.1%			\$ 84,039	7.9%
Restructuring & Integration	(3,023)	-0.8%		(177)	0.0%			(1,383)	-0.1%
Acquisition Expenses	1,007	0.3%		-	0.0%			-	0.0%
Other Income, Net	-	0.0%		4	0.0%			74	0.0%
Operating Income	\$ 37,139	9.3%		\$ 34,806	9.0%			\$ 82,730	7.7%

STANDARD MOTOR PRODUCTS, INC.

Reconciliation of GAAP and Non-GAAP Measures

(In thousands, except per share amounts)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,					
	2024	2023	2024	2023				
<u>EARNINGS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>								
GAAP EARNINGS FROM CONTINUING OPERATIONS	\$ 26,581	\$ 24,859	\$ 54,424	\$ 55,915				
RESTRUCTURING AND INTEGRATION EXPENSES	3,023	177	5,774	1,383				
ACQUISITION EXPENSES	(207)	-	2,204	-				
CERTAIN TAX CREDITS AND PRODUCTION DEDUCTIONS FINALIZED IN PERIOD	(380)	(312)	(380)	(312)				
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	(732)	(46)	(2,074)	(360)				
NON-GAAP EARNINGS FROM CONTINUING OPERATIONS	<u>\$ 28,285</u>	<u>\$ 24,678</u>	<u>\$ 59,948</u>	<u>\$ 56,626</u>				
<u>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>								
GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	\$ 1.20	\$ 1.12	\$ 2.45	\$ 2.52				
RESTRUCTURING AND INTEGRATION EXPENSES	0.14	-	0.26	0.06				
ACQUISITION EXPENSES	(0.01)	-	0.10	-				
CERTAIN TAX CREDITS AND PRODUCTION DEDUCTIONS FINALIZED IN PERIOD	(0.02)	(0.01)	(0.02)	(0.01)				
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	(0.03)	-	(0.09)	(0.02)				
NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	<u>\$ 1.28</u>	<u>\$ 1.11</u>	<u>\$ 2.70</u>	<u>\$ 2.55</u>				
<u>OPERATING INCOME</u>								
GAAP OPERATING INCOME	\$ 37,139	\$ 34,806	\$ 76,744	\$ 82,730				
RESTRUCTURING AND INTEGRATION EXPENSES	3,023	177	5,774	1,383				
ACQUISITION EXPENSES	(1,007)	-	1,404	-				
OTHER (INCOME) EXPENSE, NET	-	(4)	(5)	(74)				
NON-GAAP OPERATING INCOME	<u>\$ 39,155</u>	<u>\$ 34,979</u>	<u>\$ 83,917</u>	<u>\$ 84,039</u>				
<u>EBITDA WITHOUT SPECIAL ITEMS</u>								
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 36,123	\$ 32,917	\$ 73,927	\$ 74,723	\$ 80,920	\$ 86,025	\$ 81,716	
DEPRECIATION AND AMORTIZATION	7,389	7,332	22,008	21,461	29,569	28,864	29,022	
INTEREST EXPENSE	3,145	3,621	7,964	10,766	10,485	15,101	13,287	
EBITDA	<u>46,657</u>	<u>43,870</u>	<u>103,899</u>	<u>106,950</u>	<u>120,974</u>	<u>129,990</u>	<u>124,025</u>	
RESTRUCTURING AND INTEGRATION EXPENSES	3,023	177	5,774	1,383	7,033	3,230	2,642	
ACQUISITION EXPENSES	(1,007)	-	1,404	-	1,404	-	-	
CUSTOMER BANKRUPTCY CHARGE	-	-	-	-	-	7,002	-	
SPECIAL ITEMS	2,016	177	7,178	1,383	8,437	10,232	2,642	
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 48,673</u>	<u>\$ 44,047</u>	<u>\$ 111,077</u>	<u>\$ 108,333</u>	<u>\$ 129,411</u>	<u>\$ 140,222</u>	<u>\$ 126,667</u>	

MANAGEMENT BELIEVES THAT NON-GAAP EARNINGS FROM CONTINUING OPERATIONS AND NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS WHICH ARE ATTRIBUTABLE TO SMP, AND NON-GAAP OPERATING INCOME AND EBITDA WITHOUT SPECIAL ITEMS, EACH OF WHICH ARE NON-GAAP MEASUREMENTS AND ARE ADJUSTED FOR SPECIAL ITEMS, ARE MEANINGFUL TO INVESTORS BECAUSE THEY PROVIDE A VIEW OF THE COMPANY WITH RESPECT TO ONGOING OPERATING RESULTS. SPECIAL ITEMS REPRESENT SIGNIFICANT CHARGES OR CREDITS THAT ARE IMPORTANT TO AN UNDERSTANDING OF THE COMPANY'S OVERALL OPERATING RESULTS IN THE PERIODS PRESENTED. SUCH NON-GAAP MEASUREMENTS ARE NOT RECOGNIZED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHOULD NOT BE VIEWED AS AN ALTERNATIVE TO GAAP MEASURES OF PERFORMANCE.

STANDARD MOTOR PRODUCTS, INC.

Reconciliation of GAAP and Non-GAAP Measures by Segments

(In thousands)

	THREE MONTHS ENDED SEPTEMBER 30, 2024				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
OPERATING INCOME					
GAAP OPERATING INCOME	\$ 21,029	\$ 16,074	\$ 5,010	\$ (4,974)	\$ 37,139
RESTRUCTURING AND INTEGRATION EXPENSES	1,602	373	257	791	3,023
ACQUISITION EXPENSES	-	-	-	(1,007)	(1,007)
OTHER EXPENSE, NET	-	-	-	-	-
NON-GAAP OPERATING INCOME	<u>\$ 22,631</u>	<u>\$ 16,447</u>	<u>\$ 5,267</u>	<u>\$ (5,190)</u>	<u>\$ 39,155</u>
EBITDA WITHOUT SPECIAL ITEMS					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 18,844	\$ 16,530	\$ 5,607	\$ (4,858)	\$ 36,123
DEPRECIATION AND AMORTIZATION	3,850	802	2,308	429	7,389
INTEREST EXPENSE	2,166	791	434	(246)	3,145
EBITDA	<u>24,860</u>	<u>18,123</u>	<u>8,349</u>	<u>(4,675)</u>	<u>46,657</u>
RESTRUCTURING AND INTEGRATION EXPENSES	1,602	373	257	791	3,023
ACQUISITION EXPENSES	-	-	-	(1,007)	(1,007)
SPECIAL ITEMS	<u>1,602</u>	<u>373</u>	<u>257</u>	<u>(216)</u>	<u>2,016</u>
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 26,462</u>	<u>\$ 18,496</u>	<u>\$ 8,606</u>	<u>\$ (4,891)</u>	<u>\$ 48,673</u>
<i>% of Net Sales</i>	13.2%	14.7%	11.9%		12.2%

(In thousands)

	THREE MONTHS ENDED SEPTEMBER 30, 2023				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
OPERATING INCOME					
GAAP OPERATING INCOME	\$ 18,071	\$ 13,054	\$ 7,254	\$ (3,573)	\$ 34,806
RESTRUCTURING AND INTEGRATION EXPENSES	45	107	25	-	177
OTHER INCOME, NET	(3)	-	(1)	-	(4)
NON-GAAP OPERATING INCOME	<u>\$ 18,113</u>	<u>\$ 13,161</u>	<u>\$ 7,278</u>	<u>\$ (3,573)</u>	<u>\$ 34,979</u>
EBITDA WITHOUT SPECIAL ITEMS					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 15,702	\$ 12,780	\$ 8,078	\$ (3,643)	\$ 32,917
DEPRECIATION AND AMORTIZATION	3,482	908	2,450	492	7,332
INTEREST EXPENSE	2,563	942	620	(504)	3,621
EBITDA	<u>21,747</u>	<u>14,630</u>	<u>11,148</u>	<u>(3,655)</u>	<u>43,870</u>
RESTRUCTURING AND INTEGRATION EXPENSES	45	107	25	-	177
SPECIAL ITEMS	<u>45</u>	<u>107</u>	<u>25</u>	<u>-</u>	<u>177</u>
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 21,792</u>	<u>\$ 14,737</u>	<u>\$ 11,173</u>	<u>\$ (3,655)</u>	<u>\$ 44,047</u>
<i>% of Net Sales</i>	11.4%	11.9%	15.6%		11.4%

MANAGEMENT BELIEVES THAT NON-GAAP OPERATING INCOME AND EBITDA WITHOUT SPECIAL ITEMS, EACH OF WHICH ARE NON-GAAP MEASUREMENTS AND ARE ADJUSTED FOR SPECIAL ITEMS, ARE MEANINGFUL TO INVESTORS BECAUSE THEY PROVIDE A VIEW OF THE COMPANY WITH RESPECT TO ONGOING OPERATING RESULTS. SPECIAL ITEMS REPRESENT SIGNIFICANT CHARGES OR CREDITS THAT ARE IMPORTANT TO AN UNDERSTANDING OF THE COMPANY'S OVERALL OPERATING RESULTS IN THE PERIODS PRESENTED. SUCH NON-GAAP MEASUREMENTS ARE NOT RECOGNIZED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHOULD NOT BE VIEWED AS AN ALTERNATIVE TO GAAP MEASURES OF PERFORMANCE.

STANDARD MOTOR PRODUCTS, INC.

Reconciliation of GAAP and Non-GAAP Measures by Segments

(In thousands)

	NINE MONTHS ENDED SEPTEMBER 30, 2024				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
OPERATING INCOME					
GAAP OPERATING INCOME	\$ 51,685	\$ 31,302	\$ 13,054	\$ (19,297)	\$ 76,744
RESTRUCTURING AND INTEGRATION EXPENSES	2,712	678	654	1,730	5,774
ACQUISITION EXPENSES	-	-	-	1,404	1,404
OTHER INCOME, NET	-	-	(5)	-	(5)
NON-GAAP OPERATING INCOME	<u>\$ 54,397</u>	<u>\$ 31,980</u>	<u>\$ 13,703</u>	<u>\$ (16,163)</u>	<u>\$ 83,917</u>
EBITDA WITHOUT SPECIAL ITEMS					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 46,226	\$ 32,396	\$ 14,482	\$ (19,177)	\$ 73,927
DEPRECIATION AND AMORTIZATION	10,981	2,480	7,240	1,307	22,008
INTEREST EXPENSE	5,492	2,048	1,804	(1,380)	7,964
EBITDA	<u>62,699</u>	<u>36,924</u>	<u>23,526</u>	<u>(19,250)</u>	<u>103,899</u>
RESTRUCTURING AND INTEGRATION EXPENSES	2,712	678	654	1,730	5,774
ACQUISITION EXPENSES	-	-	-	1,404	1,404
SPECIAL ITEMS	2,712	678	654	3,134	7,178
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 65,411</u>	<u>\$ 37,602</u>	<u>\$ 24,180</u>	<u>\$ (16,116)</u>	<u>\$ 111,077</u>
<i>% of Net Sales</i>	11.4%	11.7%	10.8%		9.9%

(In thousands)

	NINE MONTHS ENDED SEPTEMBER 30, 2023				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
OPERATING INCOME					
GAAP OPERATING INCOME	\$ 54,719	\$ 20,938	\$ 19,064	\$ (11,991)	\$ 82,730
RESTRUCTURING AND INTEGRATION EXPENSES	484	778	121	-	1,383
OTHER INCOME, NET	(65)	-	(9)	-	(74)
NON-GAAP OPERATING INCOME	<u>\$ 55,138</u>	<u>\$ 21,716</u>	<u>\$ 19,176</u>	<u>\$ (11,991)</u>	<u>\$ 84,039</u>
EBITDA WITHOUT SPECIAL ITEMS					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 47,994	\$ 19,144	\$ 19,611	\$ (12,026)	\$ 74,723
DEPRECIATION AND AMORTIZATION	10,267	2,439	7,417	1,338	21,461
INTEREST EXPENSE	7,608	2,677	1,616	(1,135)	10,766
EBITDA	<u>65,869</u>	<u>24,260</u>	<u>28,644</u>	<u>(11,823)</u>	<u>106,950</u>
RESTRUCTURING AND INTEGRATION EXPENSES	484	778	121	-	1,383
SPECIAL ITEMS	484	778	121	-	1,383
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 66,353</u>	<u>\$ 25,038</u>	<u>\$ 28,765</u>	<u>\$ (11,823)</u>	<u>\$ 108,333</u>
<i>% of Net Sales</i>	11.9%	8.5%	13.4%		10.1%

MANAGEMENT BELIEVES THAT NON-GAAP OPERATING INCOME AND EBITDA WITHOUT SPECIAL ITEMS, EACH OF WHICH ARE NON-GAAP MEASUREMENTS AND ARE ADJUSTED FOR SPECIAL ITEMS, ARE MEANINGFUL TO INVESTORS BECAUSE THEY PROVIDE A VIEW OF THE COMPANY WITH RESPECT TO ONGOING OPERATING RESULTS. SPECIAL ITEMS REPRESENT SIGNIFICANT CHARGES OR CREDITS THAT ARE IMPORTANT TO AN UNDERSTANDING OF THE COMPANY'S OVERALL OPERATING RESULTS IN THE PERIODS PRESENTED. SUCH NON-GAAP MEASUREMENTS ARE NOT RECOGNIZED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHOULD NOT BE VIEWED AS AN ALTERNATIVE TO GAAP MEASURES OF PERFORMANCE.

STANDARD MOTOR PRODUCTS, INC.

Condensed Consolidated Balance Sheets

(In thousands)

	SEPTEMBER 2024	DECEMBER 2023
	(Unaudited)	
<u>ASSETS</u>		
CASH AND CASH EQUIVALENTS	\$ 26,348	\$ 32,526
ACCOUNTS RECEIVABLE, GROSS	225,827	168,327
ALLOWANCE FOR EXPECTED CREDIT LOSSES	8,697	8,045
ACCOUNTS RECEIVABLE, NET	217,130	160,282
INVENTORIES	503,015	507,075
UNRETURNED CUSTOMER INVENTORY	17,843	18,240
OTHER CURRENT ASSETS	28,873	26,100
TOTAL CURRENT ASSETS	793,209	744,223
PROPERTY, PLANT AND EQUIPMENT, NET	138,490	121,872
OPERATING LEASE RIGHT-OF-USE ASSETS	96,039	100,065
GOODWILL	134,725	134,729
OTHER INTANGIBLES, NET	85,837	92,308
DEFERRED INCOME TAXES	45,315	40,533
INVESTMENT IN UNCONSOLIDATED AFFILIATES	23,914	24,050
OTHER ASSETS	33,012	35,267
TOTAL ASSETS	\$ 1,350,541	\$ 1,293,047
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
CURRENT PORTION OF REVOLVING CREDIT FACILITY	\$ -	\$ -
CURRENT PORTION OF TERM LOAN AND OTHER DEBT	2,685	5,029
ACCOUNTS PAYABLE	112,404	107,455
ACCRUED CUSTOMER RETURNS	62,326	38,238
ACCRUED CORE LIABILITY	15,226	18,399
ACCRUED REBATES	53,163	42,278
PAYROLL AND COMMISSIONS	37,050	29,561
SUNDRY PAYABLES AND ACCRUED EXPENSES	69,666	63,303
TOTAL CURRENT LIABILITIES	352,520	304,263
LONG-TERM DEBT	140,163	151,182
NONCURRENT OPERATING LEASE LIABILITY	86,259	88,974
ACCRUED ASBESTOS LIABILITIES	89,544	72,013
OTHER LIABILITIES	28,611	25,742
TOTAL LIABILITIES	697,097	642,174
TOTAL SMP STOCKHOLDERS' EQUITY	638,833	635,064
NONCONTROLLING INTEREST	14,611	15,809
TOTAL STOCKHOLDERS' EQUITY	653,444	650,873
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,350,541	\$ 1,293,047

STANDARD MOTOR PRODUCTS, INC.

Condensed Consolidated Statements of Cash Flows

(In thousands)

	NINE MONTHS ENDED SEPTEMBER 30,	
	2024	2023
	(Unaudited)	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
NET EARNINGS	\$ 30,482	\$ 27,866
ADJUSTMENTS TO RECONCILE NET EARNINGS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
DEPRECIATION AND AMORTIZATION	22,008	21,461
LOSS FROM DISCONTINUED OPERATIONS, NET OF TAXES	24,727	28,201
OTHER	4,473	4,701
CHANGE IN ASSETS AND LIABILITIES:		
ACCOUNTS RECEIVABLE	(59,040)	(38,850)
INVENTORY	2,895	54,286
ACCOUNTS PAYABLE	4,487	15,852
PREPAID EXPENSES AND OTHER CURRENT ASSETS	(2,739)	2,916
SUNDRY PAYABLES AND ACCRUED EXPENSES	45,470	12,345
OTHER	5,437	4,115
NET CASH PROVIDED BY OPERATING ACTIVITIES	78,200	132,893
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
ACQUISITIONS OF AND INVESTMENTS IN BUSINESSES	-	(3,954)
CASH ACQUIRED IN STEP ACQUISITION	-	6,779
CAPITAL EXPENDITURES	(34,136)	(17,977)
OTHER INVESTING ACTIVITIES	18	95
NET CASH USED IN INVESTING ACTIVITIES	(34,118)	(15,057)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
NET CHANGE IN DEBT	(13,422)	(92,149)
PURCHASE OF TREASURY STOCK	(10,409)	-
DIVIDENDS PAID	(19,004)	(18,846)
PAYMENTS OF DEBT ISSUANCE COSTS	(4,183)	-
OTHER FINANCING ACTIVITIES	(651)	(2)
NET CASH USED IN FINANCING ACTIVITIES	(47,669)	(110,997)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(2,591)	496
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(6,178)	7,335
CASH AND CASH EQUIVALENTS at beginning of period	32,526	21,150
CASH AND CASH EQUIVALENTS at end of period	\$ 26,348	\$ 28,485